

## Lessons Learned From Massachusetts's \$4 Billion Health Reform Disaster

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CAMP HILL, Pa.--(BUSINESS WIRE)-- The Massachusetts health insurance system under reform is already a financial disaster and sure to force higher taxes and insurance premiums in a preview of what is to come for all Americans under the recently passed reform laws, according to the cover story in InsuranceNewsNet Magazine's May edition.

"When we heard what was really happening in Massachusetts, we decided to devote our cover story to it," says Rob Billingham, executive editor for InsuranceNewsNet Magazine. "It is alarming how the commonwealth is dismantling its health insurance industry and hurting the citizens' access to affordable coverage. It's also frightening that this is the model that national reform was based on."

The article, "Be Careful What You Wish For, America," was written by the leader of Massachusetts's health insurance broker association, one of the people on the front lines who would have inside knowledge of the unnatural disaster hitting the state.

Mark S. Gaunya, president of the Massachusetts Association of Health Underwriters, explains how Massachusetts's system is in danger of collapsing because it did little to control costs.

"Initially, MassCare was expected to cost \$88 million a year — but today the Massachusetts health care budget exceeds \$4 billion, and our fiscal budget for 2011 is underfunded by \$294 million because of this law," Gaunya says. "Simply put, Massachusetts can't afford it."

The system's weak individual mandate is also forcing insurance companies to take the sickest and most expensive residents while healthy people go without insurance until they absolutely need it, driving up costs for all the other residents who buy health insurance.

"It is a calamity in the making and it is just a preview of what's coming for the rest of the nation," Billingham says.

To see why Massachusetts's system is self-destructing and what lessons we should all be learning, click [here](#). Or Click [here](#) to view a health care reform timeline.

"In his article, Mark asks, 'Will Congress and the administration learn and apply those lessons before it's too late?'" Billingham says. "It's a question everybody will be asking after they read this piece."

InsuranceNewsNet Magazine reaches 50,000 insurance professionals nationally every month. For more information, contact Rob Billingham at 717-441-9357, ext. 118 or [rbillingham@insurancenewsnet.com](mailto:rbillingham@insurancenewsnet.com)

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